

**EXHIBIT D**



# SunCal Companies

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October 24, 2008

**VIA E-MAIL & FEDERAL EXPRESS**

Mr. F. Robert Brusco  
LEHMAN BROTHERS  
745 7th Ave., 7th Floor  
New York, NY 10019

*Re: Lehman Projects*

Dear Rob:

As you know, I am general counsel to SunCal Management, LLC. ("SunCal"), which is providing management services for residential real estate projects in which affiliates of Lehman and affiliates of SunCal Companies are involved.

As you are also aware, SunCal has been attempting for weeks to obtain funding from Lehman for the essential and critical health and safety as well as value preservation issues relating to the real estate projects which Lehman is obligated to fund. There has been absolutely no funding for these projects since the filing of the Lehman bankruptcy, despite practically daily assurances that funding was forthcoming.

At this time, the health and safety issues are urgent, as we have advised you many times, including the levee situation at Delta Coves and friable asbestos at Oak Knoll. I am not exaggerating as literally human lives as well as loss of property are being put at risk from situations such as levee failure, airborne friable asbestos, and possible brush fires in densely populated areas during peak periods of the California fire season due to failure to fund needed maintenance. In addition, the condition and value of the assets are irretrievably wasting, fines have been assessed and more are imminent, entitlements are at risk, availability of resources such as water are at risk, governmental entities are taking action such as calling bonds, and we are receiving daily angry phone calls from residents affected by the lack of funding for these projects.

As Lehman has made empty promises and delayed while the pressure builds on these absolutely critical and urgent matters, SunCal has opened discussions to obtain an alternative source willing to fund obligations up to \$35 million for these essential and critical matters, provided that Lehman's loans are subordinated pursuant to a debtor-in-possession funding facility approved by the applicable bankruptcy court.

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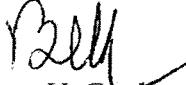
Based on all of these factors, SunCal has no alternative but to move forward and cause bankruptcies to be filed for all of the following entities in order to secure the necessary funding from the referenced third party so that these health and safety and value deterioration issues can be immediately addressed, which action we feel is in the best interests of the projects and of Lehman;

SunCal Bickford Ranch, LLC	SunCal Torrance Properties LLC
Palmdale Hills Property, LLC	SunCal Beaumont Heights, LLC
SunCal Emerald Meadows Ranch, LLC	SunCal Johansen Ranch, LLC
Acton Estates, LLC	SunCal Marblehead, LLC
SJD Partners, Ltd. (and/or LV Pacific Point LLC)	SunCal Heartland, LLC
SunCal Summit Valley, LLC	LB/L-SunCal Northlake, LLC
Seven Brothers, LLC	LB/L-SunCal Oak Valley, LLC
Kirby Estates, LLC	SunCal PSV, LLC
SunCal Century City LLC	Delta Coves Venture, LLC
SunCal Oak Knoll LLC	

As you are also aware, on several of the above projects an affiliate of Lehman is an equity partner that arguably must consent to the Chapter 11 filings. Again, despite repeated requests, Lehman has not responded to our requests for approval of such filings. Unfortunately, the health and safety issues dictate that such action be taken with or without Lehman's consent. Consequently, the purpose of this letter is to provide you three (3) business days notice of such filings.

Very truly yours,

SUNCAL MANAGEMENT LLC

  
Bruce V. Cook  
General Counsel

cc: Harvey Miller, Esq. (Via E-Mail and Federal Express)  
Michael Bond, Esq. (Via E-Mail and Federal Express)